

#### City of Branson

110 West Maddux Branson, MO 65616 417-337-8548 ganderson@bransonmo.gov

### NEWS RELEASE

June 27, 2014

**Contact:** Garrett Anderson, Economic Development Director; (417) 337-8589

# Mayor Presley testifies against rate increase on behalf of Branson citizens & businesses

Summit Natural Gas of Missouri, which is the natural gas utility for the Branson area, is requesting an increase in their rates for residential and commercial customers. As a regulated utility, they are required to seek approval for this rate increase from the Missouri Public Service Commission.

A public hearing was held in Branson on June 18<sup>th</sup>, at which Branson Mayor Raeanne Presley read a statement (attached) opposing the rate increase on behalf of Branson customers. The announcement of the public hearing (attached) details the proposed rate increase for the several communities affected, including the Branson area.

The commission staff announced that public comment will continue until an evidentiary hearing in Jefferson City, scheduled for August 18. Citizens and customers are encouraged to comment in several ways. The case number for this proposal is GR-2014-0086.

- Online at the Public Service Commission website at <a href="http://psc.mo.gov/">http://psc.mo.gov/</a>. The comment page can be found at <a href="https://www.efis.psc.mo.gov/mpsc/Comments.html">https://www.efis.psc.mo.gov/mpsc/Comments.html</a>.
- By phone to the Public Service Commission offices in Jefferson City. The in-state toll free number is 1-800-392-4211, or 573-751-1881.
- Written comment can be submitted by mail to the following address:
  Missouri Public Service Commission
  P.O. Box 360
  Jefferson City, MO 65102

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## CITY BRINSON

110 West Maddux St. • Suite 210 • Branson, Missouri 65616 , (417) 334-3345 • Fax (417) 334-6095

June 18, 2014

Missouri Public Service Commission 200 Madison Street PO Box 360 Jefferson City, Missouri, 65102

RE: Case No. GR-2014-0086, Summit Natural Gas of Missouri, Inc.

To whom it may concern:

On behalf of the citizens and business owners within the City of Branson, Missouri, I would like to raise a voice of concern about the proposed level of increase in the price of natural gas.

It appears that much of the requested increase is due to the installation of the distribution system in our area. Before this installation took place, the community was not given adequate notification that the cost of this construction was not built into the current rate structure. It was not clear that the utility expected to recoup these expenses in future years with rate increases.

Many of our resident households are already feeling the effects of the current economic hardships and the approval of the above mentioned rate increase will place additional financial stress on our community residents, especially those with fixed incomes.

We believe that this increase, if enacted, would have unintended negative consequences to business in small communities like ours. The cost of local utilities is often a major factor in the decision-making process when identifying a location for new business. Many of our existing businesses have just completed the often-expensive transition to natural gas from other heating sources, with the anticipation that they would be saving money. Such a dramatic increase in rates, now that the transition is complete, may have the opposite result.

One example from our own budget is the regional bio-solids drying facility at the Cooper Creek Wastewater Plant, which is nearing completion. The estimated annual cost to use natural gas for drying operations at this facility was estimated to be \$60,100. If this increase is approved, that cost will immediately jump to \$75,726.

This facility is only one of a half-dozen city facilities to be connected to natural gas in recent years. We believe that the impact on our budget would be an immediate increase of well over \$30,000. I worry that for some of the larger community facilities, such as the Branson Schools, the Hospital or the College of the Ozarks; that this type of increase can undermine the capacity to serve the public to a level of service they expect and deserve.

Sincerely,

Raeanne Presley,

Mayor



## PSC NEWS

#### **Missouri Public Service Commission**

Contact: Kevin Kelly Phone: (573) 751-9300 Governor Office Building, Suite 600 FY-14-92

#### FOR IMMEDIATE RELEASE

MARCH 13, 2014

### PSC SETS LOCAL PUBLIC HEARING SCHEDULE IN SUMMIT NATURAL GAS RATE CASE

JEFFERSON CITY---The Missouri Public Service Commission will hold local public hearings in **June** in a natural gas rate case filed by Summit Natural Gas of Missouri, Inc. (SNG). The local public hearing schedule appears below.

June 17, 2014—Warsaw. Public Library, 102 E. Jackson Street. A PSC staff public information/question and answer session starts at noon, with the taking of sworn statements to follow.

**June 17, 2014—Lebanon. City Hall, 401 S. Jefferson.** A PSC staff public information/question and answer session starts at 6:00 p.m., with the taking of sworn statements to follow.

June 18, 2014—Branson. City Hall, 110 W. Maddux Street. A PSC staff public information/question and answer session starts at noon, with the taking of sworn statements to follow.

June 18, 2014—West Plains. Civic Center, Walnut Room, 110 St. Louis Street. A PSC staff public information/question and answer session starts at 6:00 p.m., with the taking of sworn statements to follow.

**June 19, 2014**—**Gallatin. Public Library, 306 W. Grand Street.** A PSC staff public information/question and answer session starts at 6:00 p.m., with the taking of sworn statements to follow.

These local public hearings will be held in facilities that meet the accessibility requirements of the Americans with Disabilities Act. Any person who needs additional accommodations to participate in these hearings should call the Public Service Commission's hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 before the hearings.

On January 2, 2014, SNG filed a natural gas rate case with the Missouri Public Service Commission seeking a general rate increase of approximately \$7.5 million. SNG serves approximately 14,100 natural gas customers in Missouri. According to the company's filing, the impact of the rate request on a residential customer in the various SNG service areas appears below.

Service	<b>Monthly Customer Charge</b>		Commodity Charge (per Ccf)		Average Change Per
Area	Current	Proposed	Current	Proposed	Residential Customer *
Gallatin	\$15.00	\$20.00	\$ 0.4449	\$ 0.7214	\$244.50
Warsaw	\$15.00	\$15.00	\$ 0.5500	\$ 0.9500	\$228.32
Rogersville	\$10.00	\$20.00	\$ 0.4660	\$ 0.7396	\$289.70
Branson	\$10.00	\$20.00	\$ 0.5660	\$ 0.9396	\$346.61
*Proposed change on an annual basis.					